

CHAPTER IV

RESEARCH RESULTS

This chapter presents the findings of the survey. It starts with a description of the general characteristics of the respondents. This is followed by a detailed analysis of the expectations and the realities on the privatization of TNB. The impact of the privatization on the nature of work and social activities is discussed subsequently. The effects of privatization on the task environment and on the reward system are also presented in this chapter. The final part of the chapter is devoted to the consideration of the results on the perceptions of the respondents.

CHARACTERISTICS OF THE RESPONDENTS

This section describes the general characteristics of the respondents such as age, gender, ethnic group, marital status, education, position, length of service, average income per month and department respondents employed.

Age

Table 4.1 shows that the majority, or 47.4 percent of the respondents were in the 30 to 39 age category, and none were below 20 years of age. Only 12 percent were above 50 years old.

TABLE 4.1 : Age Categories of Respondents

AGE CATEGORIES	FREQUENCY	PERCENTAGE (%)
Below 20 years old	0	0
20 to 29 years old	21	15.8
30 to 39 years old	63	47.4
40 to 49 years old	33	24.8
Above 50 years old	16	12.0
Total	133	100

Gender

Table 4.2 reveals that 93.2 percent of the respondents were male and only 6.8 percent were female.

TABLE 4.2: Gender of Respondents

GENDER	FREQUENCY	PERCENTAGE (%)
Male	124	93.2
Female	9	6.8
Total	133	100

Ethnic Group

Table 4.3 indicates that 75.2 percent of the respondents were Malay. This shows that majority of the staff working at these power stations are employed from the local area.

TABLE 4.3 : Ethnic Group of Respondents

ETHNIC GROUP	FREQUENCY	PERCENTAGE (%)
Malay	100	75.2
Chinese	8	6.0
Indian	18	13.5
Others	7	5.3
Total	133	100

Marital Status

Table 4.4 shows that majority of the respondents are married with children.

TABLE 4.4 : Marital Status of Respondents

MARITAL STATUS	FREQUENCY	PERCENTAGE (%)
Not Married	13	9.8
Married Without Children	11	8.3
Married With Children	109	82.0
Total	133	100

Education

Table 4.5 shows that 78.1 percent of the respondents had passed upper secondary school education. 11.3 percent had attended primary schooling only. 16.5 percent were university graduates.

TABLE 4.5 : Educational Attainment of Respondents

EDUCATIONAL LEVEL	FREQUENCY	PERCENTAGE (%)
Primary School	15	11.3
Lower Secondary (Form 1 to 3)	14	10.5
Upper Secondary (Form 4 to 6)	47	35.3
Technical/Vocational School	9	6.8
College	26	19.5
University	22	16.5
Total	133	100

Position

Table 4.6 prevails that 22.6 percent of the respondents were executives and 77.4 percent were non-executives.

TABLE 4.6 : Position of Respondents

POSITION	FREQUENCY	PERCENTAGE (%)
Executive	30	22.6
Non-executive	103	77.4
Total	133	100

Length of Service

Table 4.7 indicates that majority of the respondents had served NEB, and followed by TNB between 11 to 15 years, that is 31.6 percent. It is obvious that TNB has very experience workforce with 68.4 percent have served NEB and TNB , 11 years or more.

TABLE 4.7 : Length of Service of Respondents

LENGTH OF SERVICE	FREQUENCY	PERCENTAGE (%)
5 years or less	24	18.0
6 to 10 years	18	13.5
11 to 15 years	42	31.6
16 to 20 years	24	18.0
21 to 25 years	9	6.8
More than 25 years	16	12.0
Total	133	100

Average Income

Table 4.8 illustrates that the majority of the respondents (84.2 percent) have an average income per month of between RM 800 to RM 3,000. Overall, it indicates that the salaries for the staff are quite reasonable compared with other similar organizations such as Telekom Malaysia Berhad.

TABLE 4.8 : Average Income per Month of Respondents

AVERAGE INCOME PER MONTH (RM)	FREQUENCY	PERCENTAGE (%)
Less than 800	6	4.5
801 to 1500	56	42.1
1501 to 3000	56	42.1
3001 to 4500	11	8.3
4501 to 6000	3	2.3
More than 6000	1	0.8
Total	133	100

Department Employed

Table 4.9 shows that majority of the respondents (64.6 percent) were from the operations department and the maintenance department who were responsible in ensuring the continuous running of the power stations.

TABLE 4.9 : Department Respondents Employed

DEPARTMENT	FREQUENCY	PERCENTAGE (%)
Production/Operation	43	32.3
Maintenance/Engineering	43	32.3
Support Services	10	7.5
Project Management	14	10.5
Stores/Procurement	2	1.5
Personnel/Administration	15	11.3
Others	6	4.5
Total	133	100

EXPECTATIONS AND REALITIES OF THE PRIVATIZATION OF TNB

In this section, the expectations of the TNB hydroelectric power station personnel regarding privatization and the realities after privatization are discussed in terms of workload, job security, and salaries. This section also explores the respondent's level of satisfaction with the privatization of TNB.

Workload, Job Security and Salaries

Table 4.10 records that prior to privatization, the majority of the respondents (63.1 percent) expected their workload to be harder after privatization. However, as shown in Table 4.11, only 53.3 percent of the respondents found that to be true. On the other hand,

although only 19.5 percent did not expect their jobs to be harder, 20.3 percent of the respondents felt that they were lighter after privatization.

In terms of salaries, 92.4 percent expected to get better pay after privatization, and this expectation was met since 89.5 percent agreed that they got better salaries after privatization. On the other hand, only 0.8 percent, expected their salaries to be less after privatization, but 5.3 percent felt that the salaries were actually lower after privatization.

In terms of benefits, 63.1 percent of the sample expected more benefits in TNB and after the privatization, 58.7 percent said that they did indeed have more benefits.

TABLE 4.10 : Expectations on Workload, Job Security and Employee Benefits Before Privatization

		1	2	3	4	5
a.	I expected the job to be much harder after privatization	2 1.5	24 18	23 17.3	68 51.1	16 12.0
b.	I expected that I would be paid better after privatization	0 0.0	1 0.8	9 6.8	97 72.9	26 19.5
c.	I expected to have lesser benefits after privatization	14 10.5	70 52.6	25 18.8	20 15.0	4 3.0
d.	I expected that I would have more job security after privatization	0 0.0	17 12.8	33 24.8	64 48.1	19 14.3

Note: i). 1=Strongly Disagree; 2=Disagree; 3=Neither Disagree nor Agree; 4=Agree; 5=Strongly Agree.
ii). First set of figures in the table are actual frequencies. The second set indicates percentages.

Although 62.4 percent expected to have job security after privatization, only 54.9 percent found this to be true. This is supported by the percentage of 12.8 who expected no job security after privatization, and 21.8 percent who found this to be the case. This could be due to two reasons. First, the guarantee given by the government regarding "no retrenchment" after privatization had already expired on 1st September 1995. Secondly, the restructuring exercises carried out after privatization, had affected some of the staff and their colleagues. For instance, the establishment of Remaco, had made inevitable the

redeployment of the maintenance staff in the hydroelectric power stations. Furthermore, during the right-sizing process, the Generation SBU management decided not to employ unskilled workers and hence, the staff who were without useable skills and attitude would naturally feel insecure and threatened.

TABLE 4.11 : Realities of Workload, Job Security and Employee Benefits After Privatization

		1	2	3	4	5
a.	I believe that the privatization of TNB will bring improvement in the services of TNB to the customers	1 0.8	5 3.8	11 8.3	73 54.9	43 32.3
b.	TNB employees get better pay with its privatization	3 2.3	4 3.0	7 5.3	82 61.7	37 27.8
c.	Workers have less benefit after privatization	15 11.3	63 47.4	27 20.3	23 17.3	5 3.8
d.	Privatization of TNB will not cause loss of job opportunities, or retrenchment	7 5.3	22 16.5	31 23.3	64 48.1	9 6.8
e.	The job is harder in TNB compared to NEB	1 0.8	26 19.5	35 26.3	49 36.8	22 16.5

Note: i). 1=Strongly Disagree; 2=Disagree; 3=Neither Disagree nor Agree; 4=Agree; 5=Strongly Agree.
ii). First set of figures in the table are actual frequencies. The second set indicates percentages.

Level of Satisfaction

In terms of general perceptions from the respondents were they satisfied working in TNB as compared with working in NEB, 104 respondents (78.2 percent) said they were satisfied working in TNB. 19.4 percent said they were not sure, or there was no difference and only 2.3 percent felt they were not satisfied working in TNB.

From table 4.12 it can be observed that 60 percent of the executives were satisfied and only 3.3 percent were not satisfied. 83.5 percent of the non-executives were satisfied and only 1.9 percent were not satisfied. The Chi-square test revealed that there was a significant difference between the executives and non-executives ($p < 0.0001$) with respect to their level of satisfaction working in TNB. Among the reasons mentioned by the

respondents for their satisfaction in working in TNB was that the local management was sensitive towards the needs of the employees, and that the top management has approved an extra allowance for those who worked in remote areas (which is where all hydroelectric power stations are located).

TABLE 4.12 : Level of Satisfaction of Respondents

POSITION	Not Sure	Very Satisfied	Satisfied	No difference	Not Satisfied	Total
Executive	2 6.7	0 0.0	18 60.0	9 30.0	1 3.3	30 22.6
Non-Executive	1 1.0	34 33.0	52 50.5	14 13.6	2 1.9	103 77.4
Total	3 2.3	34 25.6	70 52.6	23 17.3	3 2.3	133 100

Note: First set of figures in the table are actual frequencies. The second set indicates percentages.

NATURE OF WORK AND SOCIAL ACTIVITIES

In this section, nature of work and social activities are discussed. Subsequently, the section elaborates on the influence of co-workers and superiors on the TNB Hydro employees after privatization.

Nature of Work

From table 4.13 a, before privatization, only 45.9 percent of respondents said that their jobs were very satisfying, but after privatization, 71.4 percent of the respondents agreed that their jobs were very satisfying (an increase of 25.5 percent). In addition, before privatization, only 37.6 percent believed that their jobs required creativity. But after the privatization, 69.9 of the respondents believed that their jobs required creativity (an increase of 32.3 percent). Moreover, before privatization, only 38.3 percent felt that their

jobs were very challenging, but after the privatization, 79.7 percent felt that their jobs were very challenging (an increase of 41.4 percent).

On the other factors regarding the nature of work, before privatization, 54.1 percent of the respondents thought that their jobs were not boring, and after privatization, 63.1 percent of respondents felt the same manner (an increase of 9 percent). After privatization, 67.7 percent said that they were not frustrated with their work, compared to 49.6 percent before privatization. These five statements reaffirm that privatization has drastically improved the TNB Hydro employees nature of work. Consequently, the behavior and attitude of the workers has changed in line with the nature of the work.

TABLE 4.13 a: Nature of Work

BEFORE PRIVATIZATION						AFTER PRIVATIZATION				
1	2	3	4	5	MY WORK IS...	1	2	3	4	5
6	18	48	50	11	very satisfying	2	9	27	74	21
4.5	13.5	36.1	37.6	8.3		1.5	6.8	20.3	55.6	15.8
3	21	59	43	7	requires creativity	1	4	35	72	21
2.3	15.8	44.4	32.3	5.3		0.8	3.0	26.3	54.1	15.8
4	23	55	43	8	very challenging	1	6	20	80	26
3.0	17.3	41.4	32.3	6.0		0.8	4.5	15	60.2	19.5
24	48	46	13	2	frustrating	26	58	33	16	0
18.0	36.1	34.6	9.8	1.5		19.5	43.6	24.8	12	0.0
21	45	55	8	4	boring	29	61	34	7	2
15.8	33.8	41.4	6.0	3.0		21.8	45.9	25.6	5.3	1.5

TABLE 4.13 b: Nature of Work

		1	2	3	4	5
a.	This job is extremely important to me because it provides me with the only source of income	1	3	10	54	65
		0.8	2.3	7.5	40.6	48.9
b.	I need not work hard in TNB since I am still entitled to annual increments	35	74	17	6	1
		26.3	55.6	12.8	4.5	0.8

Note: i). 1=Strongly Disagree; 2=Disagree; 3=Neither Disagree nor Agree; 4=Agree; 5=Strongly Agree.
ii). First set of figures in the table are actual frequencies. The second set indicates percentages.

From table 4.13 b, the majority of the respondents (89.5 percent) agreed or strongly agreed that their job after privatization were extremely important to them because it was the only source of income. Although annual increments in TNB are virtually assured, 81.9 percent of the respondents still thought they had to work harder. One reason could be that the quantum is tied to performance. Although employees are entitled to annual increment, the quantum would depend on how their job performance was appraised.

Social Activities

In terms of social activities, Table 4.14 shows that 52.6 percent of the respondents agreed that TNB encourages social activities among its employees. In addition, the majority of the respondents (82.7 percent) stated that TNB encourages its employees' to be involved in other social activities. It is part of the work culture of the staff in the hydroelectric power stations to get involved in the social activities in order to increase their productivity and team work. Generally, the local management is very sensitive to the need for cooperation between TNB personnel and the people living near the TNB housing quarters.

TABLE 4.14: Social Activities

		1	2	3	4	5
a.	TNB often has social functions to please its employees	5 3.8	26 19.5	32 24.1	53 39.8	17 12.8
b.	TNB encourages everyone to be involved in sports, social activities or religious activities	1 0.8	4 3.0	18 13.5	79 59.4	31 23.3

Note: i). 1=Strongly Disagree; 2=Disagree; 3=Neither Disagree nor Agree; 4=Agree; 5=Strongly Agree.
ii). First set of figures in the table are actual frequencies. The second set indicates percentages.

Influence of Co-workers

Table 4.15 indicates that the respondents were divided on this issue; 42.1 percent of them said that their colleagues would not slow down their work even when they were dissatisfied with their work. But, other 42.1 percent indicated that their colleagues would work slow when dissatisfied with their work. However, 59.4 percent of the respondents disagreed that their colleagues shirked i.e. read newspapers or magazines during their work time. Only 22.5 percent claimed that their colleagues has misused their work time.

The majority of the respondents (96.2 percent) believed that teamwork was a very important factor in achieving the objectives of the organization. This could be because most of the work executed in the power stations such as operational and maintenance work require the staff to work as a team not as individuals. The fact that 83.5 percent of the respondents disagreed or strongly disagreed that they expect their colleagues to cover them in their work reinforces their perceptions of the importance of teamwork. Furthermore, at certain circumstances, 67.6 percent of the respondents stated that they were willing to do other people's work, displaying the spirit of teamwork in the organization.

77.5 percent of the respondents believed that their colleagues were very responsible in their work, 55.7 percent said that their co-workers were ambitious, and 93.2 percent thought that given the opportunity their colleagues could improve themselves workwise.

An Internal consistency reliability analysis was conducted for the statements in Table 4.15. The Cronbach's coefficient alpha obtained was 0.5240 which according to Nunnally (1978) is acceptable for exploratory research.

TABLE 4.15: Influence of Co-workers

		1	2	3	4	5
a.	When my colleagues are dissatisfied with their work they tend to work slow	14 10.5	42 31.6	21 15.8	46 34.6	10 7.5
b.	Some of my colleagues spend working time reading newspapers, magazines or gossiping	16 12.0	63 47.4	24 18.0	26 19.5	4 3.0
c.	Teamwork is very important	1 0.8	1 0.8	3 2.3	51 38.3	77 57.9
d.	I am not bothered to do well in my work because my colleagues will cover up for me	55 41.4	56 42.1	14 10.5	5 3.8	3 2.3
e.	Sometimes I end up doing other people's work	7 5.3	12 9.0	24 18.0	68 51.1	22 16.5
f.	I find my colleagues to be very responsible in doing work	1 0.8	11 8.3	18 13.5	94 70.7	9 6.8
g.	My colleagues are not ambitious	17 12.8	57 42.9	44 33.3	15 11.3	0 0.0
h.	Given the opportunities, I believe my colleagues can improve themselves in their work	1 0.8	2 1.5	6 4.5	95 71.4	29 21.8

Note: i). 1=Strongly Disagree; 2=Disagree; 3=Neither Disagree nor Agree; 4=Agree; 5=Strongly Agree.
 ii). First set of figures in the table are actual frequencies. The second set indicates percentages.

Influence of Superiors

Table 4.16 describes the influence their superiors have on the behavior of the employees. On the first statement, 78.9 percent of the respondents believed that their superiors were satisfied with their work. 55.6 percent of them stated that their superiors would punish them if they did not perform to expectations. But 18.5 percent believed otherwise.

The employees have very high regard for their superiors. For instance, 77.5 percent of the respondents felt that their superior were very supportive in bringing improvements to the work place. In addition, 60.9 percent of the sample also believed that their superiors encouraged them to solve their personal differences on their own. 51.1 percent of the respondents reconfirmed that their superiors always support their subordinates even if the subordinates made mistakes, but 21 percent believed otherwise. The majority (55.7

percent) of the respondents also agreed that they were encouraged to give their opinions, even if these contradicted those of their superiors. 66.9 percent felt that they carried out the directives of their superiors willingly, and only 15.8 percent disagreed with this statement.

TABLE 4.16: Influence of Superiors

		1	2	3	4	5
a.	I think my supervisors are satisfied with my work	3 2.3	3 2.3	22 16.5	91 68.4	14 10.5
b.	I believe that the organization will punish me if I do not perform well in my work	8 6.0	18 13.5	33 24.8	66 49.6	8 6.0
c.	I believe my superiors are supportive of bringing improvements in our working environment	6 4.5	10 7.5	14 10.5	80 60.2	23 17.3
d.	My supervisors encourage employees to solve their personal differences on their own	3 2.3	11 8.3	38 28.6	68 51.1	13 9.8
e.	One does not get much help from superiors if one makes a mistake	6 4.5	62 46.6	37 27.8	18 13.5	10 7.5
f.	We are encouraged to speak our minds, even if it means disagreeing with our superiors	8 6.0	16 12.0	35 26.3	67 50.4	7 5.3
g.	I always carry out orders willingly to satisfy my superiors	2 1.5	19 14.3	23 17.3	73 54.9	16 12.0

Note: i). 1=Strongly Disagree; 2=Disagree; 3=Neither Disagree nor Agree; 4=Agree; 5=Strongly Agree.
ii). First set of figures in the table are actual frequencies. The second set indicates percentages.

From the statements on the influence of superiors, it can be concluded that majority of the superiors seemed to work well and communicated very well with their subordinates. The superiors strongly encouraged their workers to communicate with them freely. As mentioned earlier, most of the employees have many years of working experiences, and the nature of job requires them to work together as a team.

An internal consistency reliability analysis was conducted for the statements in Table 4.16. The Cronbach's coefficient alpha obtained was 0.5976 which according to Nunnally (1978) is acceptable for exploratory research .

TASK ENVIRONMENT

This section explains the impact of privatization on TNB Hydro personnel in terms of job description, authority and delegation, and internal and external work pressures.

Job Description

Table 4.17 indicates that the majority of the respondents (65.4 percent) believed that the job descriptions in TNB were detailed and precise and clearly outlined the duties, authority and responsibilities involved in each job. But, 20.3 percent thought otherwise.

TABLE 4.17: Job description

		1	2	3	4	5
a.	The job description in my present organization are clear because they outline the duties, authority and responsibilities of each job	6 4.5	21 15.8	19 14.3	75 56.4	12 9.0

Note: i). 1=Strongly Disagree; 2=Disagree; 3=Neither Disagree nor Agree; 4=Agree; 5=Strongly Agree.
ii). First set of figures in the table are actual frequencies. The second set indicates percentages.

Delegation and Authority

In terms of delegation, Table 4.18 a indicates that the majority of the respondents (60.1 percent) stated that they were delegated with some responsibilities to perform certain tasks before privatization. But after privatization, 85.7 percent (an increase of 25.6 percent) said that they were often delegated to perform certain tasks. Before privatization, only 31.6 percent of respondents said that their superiors often delegated certain parts of their jobs to them, whereas, 45.9 percent (an increase of 14.3 percent) of the respondents thought the same manner after privatization. On the level of bureaucracy in TNB, the respondents were divided; 32.4 percent believed that it is at minimum, whereas 29.3 percent said otherwise.

These three statements indicate that privatization has transformed the perception of TNB hydro employees towards delegation.

TABLE 4.18a: Delegation

BEFORE PRIVATIZATION						AFTER PRIVATIZATION					
1	2	3	4	5		1	2	3	4	5	
4	12	37	72	8	I am often delegated with some responsibilities to perform certain tasks	2	3	14	98	16	
3.0	9.0	27.8	54.1	6.0		1.5	2.3	10.5	73.7	12.0	
7	30	54	42	0	My superiors often delegate certain part of their job to me	6	29	37	55	6	
5.3	22.6	40.6	31.6	0.0		4.5	21.8	27.8	41.4	4.5	
-	-	-	-	-	Bureaucracy is kept to a minimum in TNB	8	31	51	38	5	
						6.0	23.3	38.3	28.6	3.8	

Note: i). 1=Strongly Disagree; 2=Disagree; 3=Neither Disagree nor Agree; 4=Agree; 5=Strongly Agree.
ii). First set of figures in the table are actual frequencies. The second set indicates percentages.

TABLE 4.18 b: Authority

BEFORE PRIVATIZATION						AFTER PRIVATIZATION					
1	2	3	4	5		1	2	3	4	5	
2	22	53	46	10	If I confront a problem in my work, I have no authority to decide on any corrective action without consulting my immediate superior	3	34	32	50	14	
1.5	16.5	39.8	34.6	7.5		2.3	25.6	24.1	37.6	10.5	
2	27	61	33	10	Generally, rules and regulations are very rigid in this organization	2	30	51	39	11	
1.5	20.3	45.9	24.8	7.5		1.5	22.6	38.3	29.3	8.3	
6	10	53	53	11	Generally, my superior will delegate authority and responsibility for completing a job satisfactorily	4	5	37	73	14	
4.5	7.5	39.8	39.8	8.3		3.0	3.8	27.8	54.9	10.5	

Note: i). 1=Strongly Disagree; 2=Disagree; 3=Neither Disagree nor Agree; 4=Agree; 5=Strongly Agree.
ii). First set of figures in the table are actual frequencies. The second set indicates percentages.

From Table 14.8 b, on authority, there is inconsistency with the earlier statement that superiors delegated responsibility. After privatization, 48 percent of the respondents thought that they still did not have the authority to decide on any corrective action by their own. On the other hand, 65.4 percent of the respondents stated that they were given the

authority and responsibility to complete their job satisfactorily. This inconsistency can be explained. As the employees have a close relationship with their superiors, any problems that arise would be resolved jointly. It can be observed that privatization has indeed increased empowerment by superiors and management.

However, the majority of the respondents (37.6 percent) felt that there were not much changes in terms of the rigidity of the rules and regulations in TNB. This is not surprising since most of the system adopted by TNB was carried over from NEB.

Internal and External Work Pressures

As Table 4.19 shows, most of the respondents (93.2 percent) claimed that TNB expected them to work harder than before. This could be explained as 79.7 percent of the respondents felt that their work had become more challenging after privatization. However, the respondents are divided in the responsibility of each worker in TNB. 41.3 percent agree that individuals were not willing to accept responsibility, whereas 30.8 percent disagreed with the statement. The differences of opinions could be justified, since some of the jobs executed by the personnel were totally based on team work and some of the works required individual efforts and creativity.

It is interesting to observe that 54.9 percent of the respondents did not feel like resigning. As established earlier in table 4.13 b, 89.5 percent of the sample believed that working in TNB was the only source of their income. However, 19.6 percent felt that they should resign. This could be verified since some of the employees especially who have very long services in NEB unable to cope with the new ways of executing the tasks given to

them. Increased workload and pressure from the customers might be the other reasons for them to feel that way.

Interpersonal relationships within TNB was found to be very good. High proportions of the respondents (63.1 percent) declared that the employees were friendly among them, and the relationships between the employees and the management were cordial. Nevertheless, 15.8 percent of the sample felt that the employees-management relationship could be improved.

TABLE 4.19 : Internal and External Work Pressures

		1	2	3	4	5
a.	TNB expects me to work harder than before	3 2.3	2 1.5	4 3.0	100 75.2	24 18.0
b.	My work is very challenging	1 0.8	6 4.5	20 15.0	80 60.2	26 19.5
c.	One of the problems in TNB is that individuals won't take responsibilities	6 4.5	35 26.3	37 27.8	39 29.3	16 12.0
d.	I often feel like resigning	37 27.8	36 27.1	34 25.6	19 14.3	7 5.3
e.	A friendly atmosphere prevails among the people in TNB	3 2.3	13 9.8	33 24.8	74 55.6	10 7.5
f.	There is a lot of warmth in the relationships between management and workers in TNB	2 1.5	19 14.3	28 21.1	72 54.1	12 9.0

Note: i). 1=Strongly Disagree; 2=Disagree; 3=Neither Disagree nor Agree; 4=Agree; 5=Strongly Agree.
ii). First set of figures in the table are actual frequencies. The second set indicates percentages.

REWARD SYSTEM

This section clarifies the perceptions of TNB hydro personnel on reward system and promotional prospects after privatization.

Reward System

Table 4.20 shows that the majority of the respondents (71.4 percent) agreed that they should take the credit or the blame for the results of their work. However, 33.2

percent of them believed that someone else enjoyed the credits for their work. Moreover, 43.6 percent felt that they would not be given the credit although they produced good results whereas 33.9 percent felt otherwise. This could be construed as performance evaluation was formally conducted by superior that might be inexperience and could not made a fair judgment for the staff. This might also explain why only 39.8 percent of the respondents agreed that TNB had a system that promoted the best worker compared to 33.8 percent who thought otherwise.

TABLE 4.20 : Reward System

		1	2	3	4	5
a.	I should take the credit or blame for the results of my work on the job	1 0.8	6 4.5	31 23.3	73 54.9	22 16.5
b.	I feel that someone else always enjoys the credit for the results of my work	1 0.8	38 28.6	50 37.6	35 26.3	9 6.8
c.	I will always be punished when the results of my work are not satisfactory, but on the other hand I am not given the credit when I produce good results	5 3.8	40 30.1	30 22.6	40 30.1	18 13.5
d.	I am not satisfied with my salary and benefit	9 6.8	45 33.8	39 29.3	29 21.8	11 8.3
e.	I always carry out orders willingly just to be sure of promotion prospects	3 2.3	30 22.6	28 21.1	55 41.4	17 12.8
f.	In this organization, people are rewarded in proportion to their performance	4 3.0	14 10.5	22 16.5	71 53.4	22 16.5
g.	We have a system that promotes the best person to the top	12 9.0	33 24.8	35 26.3	35 26.3	18 13.5

Note: i). 1=Strongly Disagree; 2=Disagree; 3=Neither Disagree nor Agree; 4=Agree; 5=Strongly Agree.
ii). First set of figures in the table are actual frequencies. The second set indicates percentages.

In terms of salary and benefits, 40.6 percent were satisfied with their pay and remuneration compared to 30.1 percent who were not satisfied. The unsatisfied employees could be comparing their salaries with the salaries of the employees of IPPs which are far better than theirs.

54.2 percent of the respondents indicated that they were very concerned about their promotional prospects, and therefore carried out orders willingly. The apprehension could be justified as the performance evaluations decide not only the quantum of annual increments and bonuses but also the prospects of promotion. 69.9 percent of the sample agreed that employees were rewarded based on their performance.

Promotional Prospects

Table 4.21 verifies that the majority of the respondents (57.9 percent) believed that there were good opportunities for them to grow in TNB, and 51.1 percent of the sample have experienced what they have anticipated prior to privatization. The majority thought that promotional prospect were limited.

TABLE 4.21 :Promotional Prospects After Privatization

		1	2	3	4	5
a.	good opportunities for advancement	9 6.8	19 14.3	28 21.1	71 53.4	6 4.5
b.	as I expected prior to entry into privatization	0 0.0	19 14.3	46 34.6	64 48.1	4 3.0
c.	quite limited	4 3.0	35 26.3	29 21.8	59 44.4	6 4.5
d.	promotion based on ability and achievement	7 5.3	21 15.8	24 18.0	65 48.9	16 12.0
e.	no prospect for promotion (dead-end job)	23 17.3	58 43.6	36 27.1	14 10.5	2 1.5
f.	unfair promotion policies	16 12.0	42 31.6	39 29.3	28 21.1	8 6.0
g.	seldom there is a promotion	12 9.0	51 38.3	21 15.8	43 32.3	6 4.5
h.	everyone stands equal chance of promotion	13 9.8	41 30.8	18 13.5	45 33.8	16 12.0

Note: i). 1=Strongly Disagree; 2=Disagree; 3=Neither Disagree nor Agree; 4=Agree; 5=Strongly Agree.
ii). First set of figures in the table are actual frequencies. The second set indicates percentages.

60.9 percent of the sample felt that promotion was based on ability and achievement. However, the same percentage thought promotional prospect did not exist or it took a very long time for employees to be promoted. This contradicts the earlier findings. 43.6 percent still believe that TNB employed fair promotion policies. Most of the respondents (47.3 percent) said that promotional exercises were held often and everybody had equal chance of being promoted (45.8 percent).

MOTIVATION

Here, the respondents were asked to rank the ten most important factors that they felt could improve their motivation. Only 92.5 percent of the respondents filled this section; the others did not respond to the questions. These respondents were excluded in the analysis in order to increase the reliability of the findings. Points were awarded according to the ranking given by the respondents. For example, 10 points awarded to the factor ranked first, the factor ranked second got 9 points, the factor ranked third obtained 8 points, etc. The factor ranked tenth got only 1 point. The cumulative score of each factor was calculated based on the number of respondents correspond to the factor. For example, if 10 respondents ranked first and 10 respondents ranked second on the factor 'adequate salaries and benefits', therefore, the total score of this factor will be 190. The highest total score was ranked first, and the sequence is continued until the final rank was determined.

Table 4.22 shows the total scores obtained by each factor and the final ranking of all the motivating factors. It is not surprising that the respondents ranked 'adequate salaries and benefits' as the most important motivating factor. As mentioned in Table 4.20 (item d),

40.6 percent of them were satisfied with their salaries, and only 30.1 percent were not satisfied. We can conclude therefore that most of the hydro-personnel were motivated to work hard. However, there is still room for the management of TNB to make the total compensation package more attractive.

The factor 'sense of achievement' was ranked second. This could be related to the nature of the work in the hydroelectric power stations as stated in Table 4.13 a, which indicates that the majority of the sample believed their jobs were very satisfying, required creativity and were very challenging. Managers should exploit this finding by continuously giving challenging tasks to employees.

TABLE 4.22 : Factors that Affect the Motivation of Employees

		TOTAL SCORE	FINAL RANK
a.	Adequate salaries and benefits	868	1
b.	Sense of achievement	836	2
c.	Recognition by superiors	807	3
d.	Opportunities for advancement and growth	782	4
e.	Relationship with superiors, co-workers and subordinates	720	5
f.	Job security	717	6
g.	Greater responsibility and authority given by superiors	712	7
h.	Managerial leadership	592	8
i.	Clear organizational goals and policies	484	9
j.	Fear of punishment including being sacked	297	10

'Recognition by superiors' was ranked third. As shown in Table 4.16, the majority of the respondents had high respect for their superiors. The superiors should capitalize on this finding by continuously recognizing the work of their subordinates, so that they would be motivated to work harder.

'Fear of punishment including being sacked' was ranked tenth. As revealed earlier, 68.5 percent of the respondents had worked in TNB for more than 10 years, and so should know the system well and would not be likely to get themselves into trouble. One earlier findings (Table 4.18 b) also indicated that most of the rules and regulations in TNB are still very rigid. Hence, the employees seem to understand how the system works and what they have to do in order to avoid punishment.

ORGANIZATION

This section describes the impact of privatization on goal and performance standards setting in the organization. Ten important problems in the organization ranked by the respondents are identified subsequently. It is followed by a discussion about their general perceptions on privatization.

Goal and Standard Setting in the Organization

The analysis of variance or ANOVA was used to compare the means of the two groups of employees (executive and non-executive) with respect to the organizational factors. As Table 4.23 a shows, the majority of the respondents (78.2 percent) stated that TNB set very high standards of performance. From table 4.23 b, the mean for the executives (3.23) on this issue was lower than that of the non-executives (4.03) indicating that the executives believed that the standards set by the organization were still low. The significance of f was 0.000, implying that there is very significant difference between the means of the two groups.

On the second item (item b), 57.9 percent of the respondents stated that they felt the pressure in the organization to continually improve their performance. From Table 4.23 b, ANOVA results reveal that both groups agreed with the statement. There is no significant difference here as the value of the F ratio is 0.022 while the significance of f was 0.883.

However, it was surprising to discover that 53.4 percent of the sample yet believed that to get ahead in the organization, it was more important to get along than to be more productive. The analysis of variance results show that each group viewed this statement differently (significance of f was 0.061). The executives felt more neutral (3.03) while the non-executive were somewhat agreed (3.43). This could be because the employees prefer to be friendly with their colleagues and superiors rather than to be concerned with their productivity. As indicated earlier in the findings, although the respondents believed that promotional prospects were based on performance, the majority felt that the main criteria in TNB for promotion was still seniority.

On the fourth item (item d), the majority (63.9 percent) of the sample were proud of belonging to the organization. The ANOVA results have showed that each group viewed the statements differently. The significance of f was 0.037 implying a significant difference. In addition, most (73.7 percent) of the respondents had no doubt that they were members of a well functioning team. The ANOVA results illustrated that each group viewed this statement slightly differently (the significance of f was 0.083).

On the fifth item (item f), the respondents were divided in their perception. 45.1 percent of the sample disagreed that employees only looked after their own interests in the

organization. However, 36.1 percent agreed that the employees were self interested. Further stratification by group revealed that each group held slightly different views (the significance of f was 0.088) on this subject. The executives were higher in their degree of agreement (3.17), whereas the non-executives tended more towards disagreement (2.73) with the statement.

TABLE 4.23 a : Organizational Factors

		1	2	3	4	5
a.	This organization sets very high standards for performance	1 0.8	13 9.8	15 11.3	80 60.2	24 18.0
b.	Around here, there is a feeling of pressure to continually improve our personal and group performance	2 1.5	27 20.3	27 20.3	64 48.1	13 9.8
c.	To get ahead in this organization, it is more important to get along than it is to be high producer	1 0.8	37 27.8	24 18.0	58 43.6	13 9.8
d.	People are proud of belonging to this organization	0 0.0	7 5.3	41 30.8	67 50.4	18 13.5
e.	I feel that I am a member of a well functioning team	0 0.0	11 8.3	24 18.0	81 60.9	17 12.8
f.	In this organization people look after their own interests	22 16.5	38 28.6	25 18.8	37 27.8	11 8.3
g.	I participate actively in goal-setting of the organization	3 2.3	22 16.5	54 40.6	46 34.6	8 6.0
h.	Employees are not given opportunities to make suggestions	17 12.8	62 46.6	31 23.3	22 16.5	1 0.8

Note: i). 1=Strongly Disagree; 2=Disagree; 3=Neither Disagree nor Agree; 4=Agree; 5=Strongly Agree.
ii). First set of figures in the table are actual frequencies. The second set indicates percentages.

TABLE 4.23 b : Summary of Analysis of Variance (ANOVA) For Organizational Factors: Mean differences by Position.

		1 (mean)	2 (mean)	3 (mean)	F ratio	Sig* of f
a.	This organization sets very high standards for performance	3.23	4.03	3.85	23.43	0.000
b.	Around here, there is a feeling of pressure to continually improve our personal and group performance	3.47	3.44	3.44	0.022	0.883
c.	To get ahead in this organization, it is more important to get along than it is to be high producer	3.03	3.43	3.34	3.572	0.061
d.	People are proud of belonging to this organization	3.47	3.80	3.72	4.453	0.037
e.	I feel that I am a member of a well functioning team	3.57	3.84	3.78	3.059	0.083
f.	In this organization people look after their own interests	3.17	2.73	2.83	2.948	0.088
g.	I participate actively in goal-setting of the organization	3.47	3.73	3.67	2.369	0.126
h.	Employees are not given opportunities to make suggestions	2.33	2.55	2.46	0.685	0.410

Note: 1 = Executive; 2 = Non-executive; 3 = Total population; Sig* = Significant.

The majority of the respondents (40.6 percent) felt they participated in setting the goals of organization. A high proportion of respondents (59.4 percent) agreed that they were given the opportunity to make suggestions. The ANOVA results testify that both groups showed a similar degree of agreement. (No significant difference.)

Other Important Aspects in the Organization

The respondents were also requested to rank the ten most important problems faced by the organization. Only 89.5 percent of the respondents completed this section. The others did not answer the questions. The method used to rank the ten problems was the same as that used to rank the ten motivating factors (described earlier).

Table 4.24 exhibits the total scores on each factor and the final ranking of the ten most important problems in the organization. It is not surprising to observe that the respondents ranked 'the need for managers with good leadership qualities' as the most important problem for them. Since privatization, most TNB engineers became managers but lacked proper training in the field of management. Most TNB managers employ an autocratic leadership style rather than situational leadership which as shown in Chapter II is one of the important characteristics of a successful manager or change agent.

'Poor human resource management and planning' was ranked the second most important problem by the respondents. This is quite obvious for the deployment of the staff has not been properly planned in TNB. Many vacant posts in the power stations have not been filled for one to two years. The local management has not been empowered to decide on the transfer of staff. This could be because the rules and regulations in TNB are still rigid.

‘Slow decision making process by management’ was ranked third. It is clear from Table 4.24 that this item is closely related to the second one. These problems have significantly affected the morale of the employees for their promotions have been delayed.

TABLE 4.24 : Ten Most Important Problems in TNB

		TOTAL SCORE	FINAL RANK
a.	The needs of managers with good leadership qualities	981	1
b.	Poor human resource management and planning	761	2
c.	Slow decision making process by management	760	3
d.	Unsatisfactory reward, salary and appraisal system	708	4
e.	Poor implementation of strategies to achieve goals	680	5
f.	Lack of commitment of managers and staff	633	6
g.	Direction not clear from the top management	612	7
h.	Too many restructuring exercises and right sizing	541	8
i.	Lack of empowerment given to station management	510	9
j.	Inefficient flow of information and lack of communication	505	10

The respondents were also surveyed on their general perceptions of the organization. Table 4.25 discloses that most of the respondents (85 percent) felt that privatization has benefited them, whereas 11.3 percent thought otherwise. Furthermore, 78.2 percent of the sample were satisfied working in TNB. Only 2.3 percent were not satisfied. (see table 4.12) Most respondents felt that privatization had improved their quality of life in terms of better salaries and annual bonuses. According to them, the remuneration package in TNB was good compared to other similar organizations.

Most respondents (91.7 percent) believed that there could be further improvement in TNB. Some of the areas that need improvement are: to minimize the number of breakdowns; to shorten outage time in all TNB power stations and installations; providing technical training to increase employees skill and knowledge; to provide career development for the staff and to reorganize the organization structure in order to optimize

the functions of each division. However, it is interesting to note that 63.9 percent of the respondents disagreed with the idea of converting the power stations into subsidiaries of TNB. Among the reasons quoted by the respondents was that they were not sure whether the merger of the power stations would improve their competitiveness.

The respondents were also asked about their perception of the new Chief Executive Officer (Datuk Dr. Ahmad Tajuddin Ali). Most of them (83.5 percent) believed that he has the experience, ability and management skills needed to transform TNB into achieving the vision and mission of the organization. Some felt that he had improved the public image of TNB in a very short time. He has maintained close rapport with the media which was much needed at this point in time in order to rebuild the image of the organization especially after the national blackout of August 3, 1996. The prime minister and the federal government have also shown their supports to TNB. The confidence of the investors also has been garnered, for the price of TNB stock has increased drastically (from RM 8 per share to RM 13.10 per share) after he took over the management of TNB on first of September, 1996.

TABLE 4.25: General Perceptions on Privatization

		NOT SURE	YES	NO
a.	Do you feel that the privatization has benefited you in any way?	5 3.8	113 85.0	15 11.3
b.	Do you feel that TNB's performance can be improved?	7 5.3	122 91.7	4 3.0
c.	Do you feel that all the power station should be diversified into subsidiaries?	9 6.8	39 29.3	85 63.9
d.	Do you think new CEO can change TNB into achieving the vision and mission of the organization?	9 6.8	111 83.5	13 9.8

Note: First set of figures in the table are actual frequencies. The second set indicates percentages.